

# BULLETIN

The energy and planning resource for Western utilities

## IRRIGATION WORKSHOP KEEPS AG CUSTOMERS INFORMED, PREPARED

**H**aving information available about future operating costs, supplies and regulations help business owners make sound decisions for the coming months and years. Utilities that provide such critical information form stronger relationships with their customers, which is why High West Energy hosted an irrigation workshop on Jan. 27 at its Pine Bluff, Wyoming, headquarters.

Irrigators are among the electric cooperative's biggest consumers and High West considers it good practice to acknowledge that customer segment and keep the lines of communication open. "We like to get irrigators together every couple of years to share new technology developments and discuss changes on the horizon to help them prepare accordingly," said High West Public Relations and Marketing Manager Lorrell Walter.



High West Energy hosts a workshop for agriculture customers every couple of years to keep the lines of communication open with their large customers. (Photo by High West Energy)

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Around 25 attendees—primarily small growers but with a significant number of agribusiness producers—turned out for a look into the crystal ball. "They got a lot of tough news this year," acknowledged Walter, "but they appreciate knowing ahead of time, so they can plan for it."

The tough news included rate increases anticipated for the next three years, water restrictions affecting both Wyoming and Nebraska and a low futures market. "Basically, the worst possible combination," said High West Energy Management Advisor Joy Manning, who helped organize the workshop.

### Facing, tackling challenges

Some presentations clarified the situation the growers faced, while others explored assistance available to help cope with it. Speakers from the South Platte Natural Resources District and Wyoming State Engineer's Office focused on drought conditions and new state well water regulations. The outlook for grain markets in 2016 was the topic of a presentation by a representative from Platte Valley Bank.

The workshop covered not only challenges, but solutions too. Attendees learned about strategies for dealing with climate variability and

*See IRRIGATION WORKSHOP, page 2*

integrating photovoltaics with irrigation equipment from the University of Wyoming School of Engineering and Extension. The Department of Agriculture Rural Energy for America Program discussed loans and grants it offers for renewable energy systems and energy efficiency improvements.

### Utilities join conversation

Because water and energy use are intertwined, wholesale power providers had a place on the agenda, too. Tri-State Generation and Transmission Association was on hand to update attendees on the G&T's efforts to comply with the Clean Power Program and other activities. Tri-State Relationship Manager Gary Myers gave an overview of the 2016 Energy Efficiency Products Program.

Western Energy Services Representative **Annette Meredith** and Equipment Loan Manager **Gary Hoffmann** gave a short presentation on what Western is doing to support High West and its other customers. Although Western works with utilities rather than end-users, Energy Services can play a role in consumer education, noted Meredith. "Helping our customers' customers to understand where



some of their power comes from, and how electricity and water are so closely linked in the West, can help bolster efficiency programs," she explained.

The workshop appeared to achieve that goal, observed Manning, in spite of sobering news. "The feedback was very positive," she said. "They particularly appreciated that the information didn't just touch on one aspect of irrigation."

### Partnering to reach customers

Getting input from many different sources is the secret to a good workshop, Walter said. "If I was going to give other utilities one piece of advice on putting together a workshop, I would tell them, 'Don't try to do it on your own,'" she said. "Even though I have an agricultural background, I couldn't keep up with the hot topics."

As the issues get more complex, pre-event research becomes more important. High West board members are a source of topics based on the concerns they hear from customers. Tri-State, High West's wholesale provider, has helped organize past workshops. And if you find a good speaker, Walter advises, "Invite them back! Get that information out there."

Meredith, who joined Energy Services a little over a year ago, also pitched in this time. "She really helped pull things together," Manning added.

"Partnerships among several stakeholders are key for successful energy efficiency efforts," said Meredith.

If your utility would like assistance in hosting a workshop for your members or customers, contact your Energy Services Representative or the Energy Services manager. ⚡

### ENERGY SERVICES BULLETIN

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# NEW FACT SHEETS FROM ACEEE FOCUS ON INDUSTRIAL ENERGY USE

Compared to programs targeted at other sectors, industrial efficiency programs offer significant energy-saving opportunities at a relatively low cost, yet many large energy users have barely tapped their industrial energy efficiency potential. To help communicate the value of commercial and industrial (C&I) energy efficiency, the American Council for an Energy Efficient Economy has released four new fact sheets examining different aspects of industrial efficiency programs.

According to a white paper by the State and Local Energy Efficiency Action Network (SEE Action), on a national level, the industrial sector saves more energy per program dollar than do other customer classes. Industrial programs can help states comply with the Clean Power Plan, while improving productivity and competitiveness for manufacturers and keeping energy costs low for all customers.

## Educate stakeholders

First, however, your board and large account representatives must fully understand the benefits of C&I programs and be prepared to make the business case for them to your customers. Start by sharing these fact sheets with your staff:

- **Industrial Efficiency Programs Can Achieve Large Energy Savings at Low Cost** cites statistics from programs across the country supporting the cost-effectiveness of implementing industrial efficiency measures. Because industrial customers often represent the majority of

a utility's energy demand, building strong relationships with a few of the largest energy users is an effective use of program resources. You will also find tips from SEE Action for designing effective offerings.

- **The Dollars and Cents of Industrial Efficiency Program Investment** explains how combining industrial customer investments in energy efficiency combine with utility infrastructure investments to yield deep energy savings with medium-term paybacks. Industrial customers can often be persuaded to make investments with longer payback periods when utility programs address capital planning processes and financial hurdles. A list of the broader benefits of energy efficiency to the business, the utility and the community could help to sell the partnering strategy to your board.

## Support participation

All 50 states have mandated a ratepayer-funded energy-efficiency program that counts efficiency as a resource and provides a mechanism for funding customer projects that reduce energy use. However, some of these laws allow businesses to opt out of funding and participating in the programs, or that allow customers to control some or all of their efficiency fees. These fact sheets clarify these exemptions and discuss the often-misunderstood implications of such policies:

- **Overview of Large-Customer Self-Direct Options for Energy Efficiency Programs**

outlines the status of self-direct programs and opt-out provisions by state, and includes tips for designing successful self-direct programs. If the biggest energy consumers do not participate in a program designed to spread the cost of efficiency across all customer sectors, all customers miss out on the benefits of efficiency. Alternatively, the self-direct option gives C&I customers the flexibility to design programs that meet their business needs while ensuring measurable and verifiable energy savings. The fact sheet also identifies key elements in successful self-direct provisions.

- **Myths and Facts about Industrial Opt-Out Provisions**

busts commonly held misconceptions that lead policy makers to include opt-out provisions in energy-efficiency programs. This fact sheet may be particularly useful where lawmakers and big energy users are pushing to add opt-out provisions to an effective existing program.

Links to all four of these fact sheets can be found in Energy Services publications, along with other resources on technology and programs. ⚡



# WESTERN CUSTOMERS SCORE HIGH IN CUSTOMER SATISFACTION ON ANNUAL STUDY

When J.D. Power released its 2016 Electric Utility Business Customer Satisfaction Study, the list of eight U.S. electric utilities included Western customers.

The 17th annual study ranked utilities based on customer satisfaction by size and region. Omaha Public Power District (OPPD) rated highest in the Midwest Midsize category. Salt River Project (SRP) in Arizona outperformed other utilities in the Large West category and Sacramento Municipal Utility District (SMUD) excelled in the West Midsize category. OPPD and SRP also ranked highest in last year's study, the only two among the eight power providers to repeat their appearance on the list.

The other five electric utilities with highly satisfied business customers are:

- Con Edison (East Large)
- Met-Ed (East Midsize)
- Ameren Missouri (Midwest Large)
- Entergy Arkansas (South Large)
- JEA (South Midsize)

Except for JEA, based in Jacksonville, Florida, these are all investor-owned utilities. "The public power utilities that have won the J.D. Power honors all exemplify this excellence in customer service," said Sue Kelly, president and CEO of the American Public Power Association (APPA).

## Focused on sustainability

OPPD works with more than 45,000 commercial and industrial (C&I) customers to help them improve energy efficiency and develop new renewable energy sources, such as wind, solar and biomass. In an interview with APPA for Public Power Daily, Jim Krist, OPPD manager of key account sales and service, pointed to a heightened interest among business customers in sustainability and driving their own energy choices. "The customer continues to change the way we think, operate and serve," he said.



OPPD has 10 account executives dedicated to servicing the utility's largest C&I customers. These customers receive annual energy reviews and work with the utility on economic development issues. OPPD account executives and electric service designers consult with business customers on demand-side management programs to help them reduce energy demand and receive rebates.

## Communicating proactively

Even a brief power outage can cost a business thousands of dollars—or worse—so providing timely, accurate information about outages and quickly restoring electric service strongly affects a utility's rating.

SRP has introduced online and mobile-friendly apps to provide detailed power outage information to businesses, and to send power outage notifications and weather alerts to customers via email and text. Every business customer who contacts SRP to report an outage receives a follow-up call by the next business day. The

utility uses the opportunity to educate them on how to use online outage map and reporting tools.

This aggressive approach has paid off in significant increases in the satisfaction scores. "And our customers are telling us how much they appreciate this proactive outreach," Jennie King, the utility's director of strategic energy management, told APPA.

SRP's robust portfolio of 20 energy-efficiency programs is another reason the utility has ranked first in the West by J.D. Power for three consecutive years. Program offerings range from low- to no-cost options for limited-income residential customers to comprehensive programs for industrial clients.

## Expanding customer engagement

Taking the proactive approach for keeping in touch with business customers figures heavily in SMUD's business customer service strategy,

*See ANNUAL STUDY, page 6*

# RESOURCE PLANNING COURSE INCLUDES RENEWABLES, NEW TECHNOLOGIES IN MIX

**T**he time has come to start preparing to meet the challenges of resource planning in a new climate of renewable mandates, consumer expectations, federal regulations and rapidly advancing generation and storage technologies. Resource Planning for Power Systems: Integrating Renewables and New Technologies, a one-day course being offered at Western's Electric Power Training Center (EPTC) on April 8, is a good place to begin.

New alternatives to conventional generation are already changing capacity planning, portfolio evaluation and resource procurement decisions. Many planners—even experienced ones—may be wondering how to address these issues while still ensuring reliable and economic operation of the bulk power system.

This course will show attendees how to plan their future resource mix in the face of uncertainty. They will gain an understanding of the effect public policies, such as environmental regulations, have on the resource mix and system operations. Presentations will cover strategies for successfully integrating variable resources, storage technologies and demand-response programs into a comprehensive plan.

The agenda is designed to offer something for professionals involved in every aspect of power delivery, from utility system planners and power system operators to emerging technology vendors. Developers of transmission, renewable energy, energy storage and demand-response projects will benefit from the course, as will regulators and lawmakers.

## Learn from experts

The instructors bring decades of experience in resource planning to an information-packed schedule. Attendees will learn planning basics, including commonly used calculations, from Michael Henderson, the Regional



Planning and Coordination director for Independent System Operator New England. Brian Walshe, president of ION Consulting, will discuss how these principles apply to specific scenarios and how factors like regulations, environmental policies and fuel supplies can affect them.

The case of Hawaiian Electric Company (HECO) offers a close look at the real-world impact of aggressive renewable energy goals on resource planning. HECO Renewable Energy Planning Director Dora Nakfuji will be on hand to share her utility's experiences.

## Here to help

The EPTC will continue to be a resource to help utilities keep pace with rapid-fire changes in the electric industry. **Randy Manion**, Western's Renewable Resource Program manager, will discuss plans to enhance the training center's course offerings to include advanced renewable integration training using the EPTC's unique model power system. Dr. Bri-Mathias Hodge, manager for the Power System Design and Studies Group at the National Renewable Energy

Laboratory, will join Manion to talk about NREL's Visually Informed Wind Forecasting Decision Making Platform Project.

"The EPTC is moving forward on several fronts to make this happen," said Manion. "We have partnerships underway with the National Renewable Energy Laboratory involving advanced visualization tools for control room operators. We are establishing an EPTC Utility Working group with support from some of the electric utilities leading the country in actively addressing renewable integration. Also, Western is developing an EPTC roadmap with our core partners including the Bureau of Reclamation and Army Corps of Engineers," he added.

Resource Planning for Power Systems will take place at the EPTC in Golden, Colorado, convenient to several hotels and restaurants. The cost is \$795, with discounts available for government employees, including municipalities. If you work for a government agency, wish to register multiple people, have questions or need more information, please contact the registrar at 720-491-1173. ⚡

# DOE OFFERS FUNDING TO PILOT TRIBAL TECHNICAL ASSISTANCE

## Informational webinar

**March 1, 1 p.m.  
Mountain Time**

**U**p to \$7 million in funding is available to Indian tribes and Alaska Native Villages to develop a Technical Assistance Energy Providers Network. This pilot project by the Department of Energy Office of Indian Energy is intended to train regional energy experts to provide the tribes with technical energy assistance and informational resources.

As part of these inter-tribal

regional programs, the energy experts would:

1. Coordinate energy solutions among participating Indian tribes (including Alaska Native villages) within the region;
2. Deliver technical assistance to participating tribes within the region;
3. Build the human capacity of participating tribes by providing information to tribal leaders and staff through workshops or webinars;
4. Serve as an information clearing-house for participating Indian tribes;
5. Network with regional and national energy organizations;
6. Advise DOE's Office of Indian Energy on the energy goals and needs within their region; and
7. Enhance DOE's technical assistance network across Indian Country.

**Applications are due April 14, 2016**, and must be submitted through EERE Exchange, DOE's online application portal. Register for an informational webinar on March 1 to learn about eligibility requirements and essential details of the application process. ⚡

## Annual study from page 4

too. Account representatives serve as trusted energy advisors to their assigned business customers, matching various utility programs with the specific needs of their clients. The Sacramento utility has 67,000 contract accounts representing the 32,000 businesses in its service territory. Last year, the utility decided to ramp up its outreach by putting a C&I customer strategic plan in place. A staff training program aimed at engaging more business customers was a key part of the plan.

Rob Lechner, manager of SMUD's commercial and industrial account solutions team, said the five-person team now averages 150 face-to-face meetings per week. Team

members spend much of their time in the field, visiting the customers and getting to know them. The customer representatives bring a list of questions to in-depth sit-down meetings that might last more than an hour, Lechner explained. "We want customers to be our partners," he said, and the first step is to understand those customers.

### Study benchmarks

J.D. Power, a marketing information services firm, annually measures satisfaction among business customers of 102 targeted U.S. electric utilities that serve more than 25,000 business customers. The survey rates for overall satisfaction, calculated on a 1,000-point scale across six factors (in order of importance): power quality and reliability; corporate citizenship; price; billing and payment; communications; and customer service.

The 2016 results show overall satisfaction among electric utility business customers to be at its highest level in eight years, driven mainly by communications, corporate citizenship and price. John Hazen, director of energy practice at J.D. Power, observed that communication and corporate citizenship are important to businesses. "Business customers like to see their provider giving back, whether it's through charities and civic organizations or through economic development such as buying locally and creating jobs," he said.

Western congratulates Omaha Public Power District, Sacramento Municipal Utility District and Salt River Project for recognizing what their business customers want and delivering it. ⚡

# CONFERENCE FOCUSES ON RESOURCE PLANNING FOR UTILITIES

If integrated resource planning (IRP) seemed difficult in the past, a whole new set of factors; including the Clean Power Plan, advances in storage, renewable energy portfolios and smart devices galore; are piling on to make it more challenging—and more important—than ever. An upcoming conference, How Changes in the 2016 Grid Affect IRPs, may help your utility address those challenges, while building general planning skills.

The professional development company EUCI is presenting its 16th Annual Integrated Resource Planning Conference, March 20-22, in Long Beach, California. The conference provides a showcase for IRP “best practices” that takes into account the new pressures utilities face in managing and forecasting their loads.

## Far-reaching program

The agenda is designed not just for resource and strategic planners, but for financial analysts, efficiency and demand response program managers and professionals who are responsible for mandate compliance as well.

Speakers include leading utility and power resource planning professionals and related industry experts. Presentations will use case studies to illustrate methodologies that predict and plan for future operational and investment requirements. Key topics include:

- Properly modeling energy storage and integrating it into an IRP
- How Clean Power Plan requirements should be

rendered in the IRP planning process and document

- How to factor operational flexibility requirements into resource selection decision-making
- Planning for uncertainty and risk related to fuel prices and transportation infrastructure
- Determining a utility’s avoided cost for PURPA [Public Utility Regulatory Policies Act] and variable generation (VG) resources

In addition to two days of packed sessions, EUCI has also scheduled pre- and post-conference workshops. IRP Planning Challenges and Critical Analysis for Emerging Business Models, March 21, provides analytic, modeling and planning insights as they relate to the new business forces that are transforming the utility industry. On March 23, following the conference wrap-up, Energy Storage Valuation examines the questions utilities and system planners have relating to modeling and implementing storage.

## What you get

Participants will learn about developing comprehensive resource plans that provide solutions to operational issues and accurately account for variables. Sessions will offer insights on the impact of renewables on carbon emissions, and on communicating IRP results to stakeholders and regulators. Attendees can gain practical resource planning skills that will help position their utilities to negotiate the industry’s rapidly evolving business model

environment.

Besides new skills, EUCI is offering .9 continuing education units (CEU) for the conference and .3 CEUs for each workshop. The International Association for Continuing Education and Training has accredited EUCI as an authorized training provider.

## Good for you, for Western

Energy Services is not only suggesting that our customers investigate this training opportunity—we are planning to send representatives to the IRP Conference, as well. It is critical that Western understands the demands of the new planning environment thoroughly to give our customers the support they need as the industry changes.

Register before March 4 to receive the early-bird discount. EUCI is offering a discount for organizations wishing to send multiple attendees. Send three delegates and the fourth attends for free, as long as all registrations are made at the same time. Contact Ron Horstman for more information about the package discount.

Rooms at Hyatt the Pike, the conference location, must be reserved before Feb. 20 to receive the special group rate. ⚡





## **2<sup>nd</sup> Annual Inter-Tribal Utility Gathering & Forum**

**March 30, 31 & April 1, 2016**

**Rosebud Casino & Events Center - Rosebud, South Dakota**

### **"Foundations for Tribal Energy Development"**

- **Sharing the Tribal Vision:  
Tribal Renewable Energy Projects**
- **Panel discussion:  
CFR Trust Land Right-of-Way Rule Changes**
- **Tribal Trust Land:  
Alternative Land Appraisal Methods**
- **US Gov. Accountability Office:  
Report on Indian Energy Development**
- **US DOE: Energy Project Development 101**
- **Presentation:  
Business Models for Tribal Utility Companies**
- **Panel Discussion:  
Tribal Telecommunications**

**For more information & to register, contact:**

**Rosebud Sioux Tribal Utility Commission**

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**For Hotel Rooms Rosebud Casino Quality Inn 605-653-3478**

**Early Registration \$225.00 until March 18, \$300.00 after March 18.**

**Sponsorships are available**